CDC's Country Monitoring and Accountability System II

Country Monitoring and Accountability System Visit to Rwanda – June 16-20, 2014
Summary of Key Findings and Recommendations

Introduction

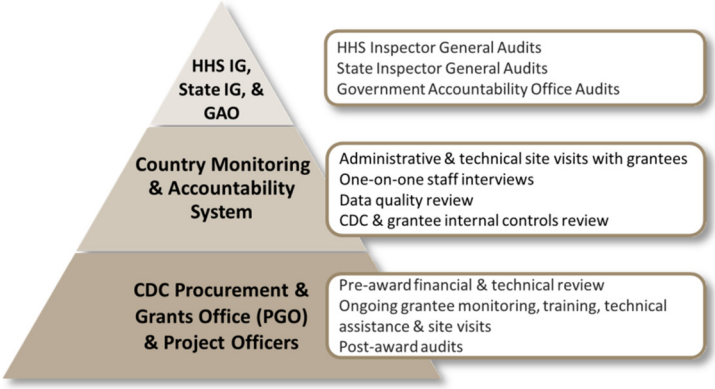
As the U.S. science-based public health and disease prevention agency, the Centers for Disease Control and Prevention (CDC) plays an important role in implementing the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) under the direction of the Department of State's (DOS) Office of the U.S. Global AIDS Coordinator (OGAC). CDC uses its technical expertise in public health science and long-standing relationships with Ministries of Health (MOH) across the globe to work side-by-side with countries to build strong national programs and sustainable public health systems that can respond effectively to the global HIV/AIDS epidemic. CDC global HIV/AIDS PEPFAR-related activities are implemented by the Division of Global HIV/AIDS (DGHA) in CDC's Center for Global Health. PEPFAR activities represent the largest portfolio of global health activities at CDC.

CDC's Country Monitoring and Accountability System

CDC/DGHA launched the Country Monitoring and Accountability System (CMAS) in 2011 to identify challenges resulting from the rapid scale-up of complex CDC/PEPFAR programming as a part of CDC's commitment to transparency and accountability. This initiative serves as a basis for ongoing, monitored quality improvement of DGHA's programs and operations through internal programmatic and financial oversight. CMAS is a proactive response on the part of CDC to: 1) ensure accountability for global programs and proper stewardship of U.S. government resources by promoting explicit performance standards and defining expectations for bringing all components of program accountability up to the highest standards; 2) ensure DGHA is supporting DOS, OGAC, and the Presidential Initiatives; 3) serve as a basis for ongoing, monitored quality improvement; and 4) effectively prepare CDC for future oversight audits, congressional inquiries, and special data calls.

CDC Commitment to Accountability

Ensures optimal public health impact and fiscal responsibility



CDC also maintains a Global Management Council chaired by CDC's Chief of Staff which meets regularly to address cross-cutting issues related to the management and oversight of CDC's global programs.

The CMAS strategy was designed to systematically assess CDC's accountability and proper stewardship of U.S. government resources and provide feedback on key business and program operations in the following key areas:

- **Intramural Resources**: Ensuring proper management and stewardship of financial resources, property, and human resources within CDC's overseas offices
- **Extramural Funding**: Ensuring responsible and accurate management of financial and other resources external to CDC's overseas offices
- **Public Health Impact**: Ensuring the delivery of consistently high quality interventions and technical assistance that positively impact the populations the program serves

The first round of CMAS visits (formally known as Country Management and Support visits - CMS I) took place between February 2011 and March 2012 and assessed 35 country offices. A second round of CMAS visits (CMAS II) evaluated 30 country offices and one pilot. A few CMAS II visits were cancelled due to political unrest. CMAS II assessments occurred between June 2012 and June 2014 and increasingly emphasized supportive technical assistance to ensure continual quality improvement. In addition to the focus on CDC's PEPFAR program activities, CDC's Office of the Chief Financial Officer reviewed financial transactions for CDC's other global health programs.

Scope

CMAS II visits were designed to provide an overview of CDC country programs and identify good practices and areas for improvement. While the scope of these visits was primarily focused on CDC/DGHA's activities implemented through PEPFAR, other CDC global health programs were assessed in countries where they have a significant presence. Financial management activities were assessed for all CDC programs in-country. CMAS II visits were not considered comprehensive, nor were they intended to replace Inspector General audits.

Objectives

DGHA conducted a CMAS II visit to Rwanda from June 16-20, 2014. The principal objectives of this visit were to:

- Perform a CDC headquarters assessment of internal controls in the field to ensure the highest level of accountability;
- Review intramural and extramural resource management to ensure financial stewardship of U.S. government funds;
- Generate a multidisciplinary snapshot of how CDC country offices are performing regarding programmatic effectiveness in the areas of AIDS-Free Generation Strategy, site visits, and data driven programs to ensure DGHA is achieving the greatest public health impact; and
- Provide clear feedback and technical assistance to the country office to improve current internal controls.

Methodology

CDC headquarters in Atlanta assembled a multidisciplinary team of eight CDC subject matter experts in the following areas to perform the CMAS II assessment: financial management, program budget and extramural resources, grants management, country management and operations, and several key technical program areas.

The CMAS II team conducted a five-day visit to the CDC/DGHA office in Rwanda (CDC/Rwanda). Team members reviewed financial and administrative documents at CDC/Rwanda and grantee offices and conducted administrative and technical grantee site visits, one-on-one meetings with staff, and data quality spot checks. Subject matter experts developed assessment tools and checklists at CDC headquarters in consultation with CDC field staff representatives. A standardized assessment instrument gauged performance using a four-level capability maturation scoring scale. Team members provided additional recommendations for quality improvement and noted good practices observed during the visit that will be shared across DGHA country programs. This methodology provides a "point-in-time" synopsis of CDC/Rwanda's operations.

Background on Country Program

Rwanda has made tremendous progress since 1994 when there was a social collapse in conjunction with the genocide that killed over one million people. Since that time Rwanda has undergone a remarkable recovery and pursued ambitious development goals. The Government of Rwanda has endorsed Vision 2020, which aims to transform Rwanda from an impoverished, agrarian country to the information technology hub of East Africa by the year 2020. To date, Rwanda has met five of the seven Millennium Development Goals.

CDC/Rwanda supports the Government of Rwanda through the provision of technical assistance to the MOH in HIV prevention, TB, malaria, influenza, and other infectious diseases. Approximately 2.9% of the Rwandan population is infected with HIV. While Rwanda faces multiple health and development challenges, they have made great progress in several health indicators. Through funding provided by PEPFAR and the Global Fund, Rwanda has achieved one of the highest national anti-retroviral coverage rates in sub-Saharan Africa, reaching approximately 76% of eligible adults and 68% of HIV positive pregnant women. HIV prevalence has decreased from 4.3% to 2.9% over nine years. Rwanda has also seen a drop in infant mortality rates from 86/1,000 live births to 65/1,000 live births within a five year period.

Summary of Key Findings and Recommendations

Accountability for Intramural Resources

Country Operations and Human Resource Management

Major Achievements

At the time of the CMAS II visit, CDC/Rwanda was experiencing significant personnel transitions in leadership and management. Due to circumstances beyond their control, the Deputy Director assumed the Acting Country Director responsibilities and the Health Systems Strengthening Specialist assumed the Deputy Director's responsibilities. Despite the inconvenient timing, the transition was well-managed and a positive example of leadership and management in a challenging and dynamic environment. In addition, it was commendable that the locally employed Deputy Director for Program position was approved on June 29, 2014, marking a significant achievement for locally employed staff empowerment.

CMAS II team members found that CDC/Rwanda has developed robust time and attendance records, motor pool, and records management policies and procedures. These policies were of high quality and demonstrated exemplary effort on the side of the management and operations team. CDC/Rwanda demonstrated strong relationships with the U.S. Embassy, and key U.S. Embassy leaders clearly recognized the commitment and dedication of CDC/Rwanda staff.

Challenges

A significant challenge identified from the CMAS II review included staff dissatisfaction with training plans and training opportunities. CDC/Rwanda staff indicated that they are unable to keep up with advancement in their field as they are unable to attend certain trainings.

Recommendations

- Increase communication from leadership to CDC/Rwanda staff regarding the training policy and opportunities for staff. Staff indicated uncertainty about the training plan and how to access training opportunities. Management should work with staff to document trainings completed from their Individual and Work Development Plans. Ensure staff receive trainings as needed.
- Schedule ongoing meetings with human resources to monitor status of positions.

Financial Resource Management

Major Achievements

CDC/Rwanda exceeded many of the standards for budget operations. CDC/Rwanda produced a status of funds report every week showing the balance of each common accounting number (CAN). In addition, a detailed monthly status of funds report included projections by object class code with an analysis, as compared to the budget. Within the report, obligations were reconciled to the Country Operational Plan. These past three Country Operational Plan cycles had been reconciled to actual obligations.

CDC/Rwanda exhibited standard operating procedures for budget operations and direct access to U.S. Embassy and CDC financial reporting systems (COAST and IRIS). The staff completed the required trainings and mentored a newly hired financial analyst from another CDC country office. The operating budget was developed by object class using data from the prior fiscal year, then reviewed and adjusted based on input from the CDC/Rwanda Country Director and Deputy Director.

Property management operations had drastically improved since the previous CMAS I visit. No errors were found on the updated Property Management Information System report. All end users were correctly identified, and blackberries were included on the information system list.

The scope of CDC's Office of the Chief Financial Officer review primarily focused on post held funds and internal controls of financial activities occurring within CDC/Rwanda. This involved document sampling and transaction

level detail analysis of all funds cabled to post, as well as interviews with key personnel who have responsibility for and oversight of financial management activities, both at CDC/Rwanda and the U.S. Embassy.

Through interviews and document review, the CDC's Office of the Chief Financial Officer found that locally employed budget and financial staff members are very knowledgeable of both DOS and CDC/Rwanda procedures. CDC/Rwanda demonstrated strong regulatory compliance by maintaining a comprehensive operations manual and having developed robust policies and standard operating procedures. CDC/Rwanda remained well-informed of current legislation and protocols by ensuring appropriate training was completed by staff in a timely manner. Additionally, the office demonstrated a commitment to fiscal stewardship by supporting all financial transactions with adequate documentation.

CDC/Rwanda maintained an imprest fund balance of $2,000 and the U.S. Embassy financial reporting system (COAST) reported petty cash expenditures totaling $7,331 for the 12-month review period ending on April 30, 2014. There was one primary sub-cashier (with no alternate) and three occasional money holders. In the absence of the sub-cashier, petty cash was received by the U.S. Embassy's class B cashier.

Major Challenges

CDC/Rwanda reviewed post held unliquidated obligations quarterly which was less frequently than the monthly standard. Although requests to deobligate funds were sent quarterly, the U.S. Embassy had not deobligated funds since the first quarter of fiscal year 2014. CDC/Rwanda noted that U.S. Embassy staffing issues have impeded the quarterly deobligations process.

For property management, the Logistics Coordinator participated in receiving, storing, issuing, and inventorying property. In order to prevent misuse, a single individual should not be ordering and receiving property. Additionally, one person should not be storing, issuing, and inventorying (they can do two of the three, but not all). Although other employees also performed these duties, the Logistics Coordinator should not participate in storing, issuing, and inventorying property to improve internal controls regarding property management.

While CDC/Rwanda established procedures to routinely review unliquidated obligations, at the time of review, the post had a number of outstanding unliquidated obligations for fiscal year 2013. This indicated a substantial increase in outstanding unliquidated obligations, as there were only a few unliquidated obligations for fiscal year 2012. This increase in unliquidated obligations from one year to the next was primarily caused by the understaffing in the U.S. Embassy's finance department, which inhibited the department's ability to process and prioritize CDC/Rwanda's de-obligations.

Recommendations

- Review post held unliquidated obligations monthly instead of quarterly.
- Reassign property management duties among staff to improve internal controls.
- Consolidate the Country Operational Plan's reconciliation documents to view the past three cycles on one spreadsheet to achieve an exceptional rating.

- Periodically review unliquidated obligations, and aggressively follow-up with the U.S. Embassy Financial Management Office to ensure invalid, aged (older than two years), and outstanding transactions are closed in a timely manner.
- Since an office with a small number of personnel carries an inherent risk related to the segregation of duties, extra oversight should be given to mitigate risks.

Accountability for Extramural Resources

Grantee Management

Major Achievements

CMAS II team members found that CDC/Rwanda continues to manage the extramural funding well and improve their grantee oversight and cooperative agreement system. Standard operating procedures had been updated and distributed to CDC/Rwanda's activity managers and grantee staff and continue to be implemented.

CDC/Rwanda held bi-weekly meetings to follow up on all grant actions. This helped to ensure that actions are being cleared as expeditiously as possible. Orientations were provided for all new grantees to brief them on applicable U.S. government regulations once a new award is made in-country.

CDC/Rwanda performed standard site visits quarterly. Additional site visits could be triggered by performance changes or changes in budget or project implementation. CDC/Rwanda used a standard template for site visits and had developed a standard operating procedure on how to write and submit site visit reports. These reports were sent to CDC's Procurement and Grants Office.

At the time of the CMAS II assessment, CDC/Rwanda had two Project Officers and was in the process of training one of the extramural staff members to become a third Project Officer to provide additional grantee support. This new Project Officer will need to complete the International Project Officer training before assuming duties.

Finally, CDC/Rwanda was effectively managing its limited number of contracts. The office did not have a contracts standard operating procedure and only updated its budget system monthly after receiving the monthly invoice, but this was adequate due to the small size of its portfolio. In the future, if the number of procurements increases, these contract managing systems should be expanded, and management procedures will need to be in place.

Major Challenges

The cooperative agreement management tracking system had all the required information for adequate oversight and was updated regularly. However, standard operating procedures for updating data aerere missing for this tracking system along with the Associate Director for Science tracking system. Although the team had a tracking system for audit follow-up, there were no standard operating procedures for the review and follow-up of audits. Also missing were internal controls to ensure that standard operating procedures were regularly updated with headquarters information.

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Recommendations

- Develop a standard operating procedure for tracking and updating the cooperative agreement management tracking system.
- Develop a standard operating procedure for audit review and follow-up.
- Develop a standard operating procedure for tracking and updating Associate Director for Science restrictions.
- Ensure that the new Project Officer(s) complete the International Project Officer training.
- Develop additional internal controls to confirm that standard operating procedures are regularly updated with headquarters information.

Grantee Compliance

Major Achievements

During CMAS I, there were three areas of concern that were documented as findings. During the CMAS II site visit, CDC's Procurement and Grants Office participants visited six grantee organizations. Each grantee had addressed/rectified the three identified issues noted during CMAS I. The issues were significant in nature and could have led to significant audit findings. Resolution of these issues should be considered major achievements.

Firstly, CMAS I findings observed that the grantees had implemented a Performance Based Funding system for their employees. Under this system, salaries were paid based on performance outcomes. This system was executed without proper implementing guidance, a structure for creating performance plans for employees, or an overall standard operating procedure. The grantees also did not have documentation that tied the payment of salaries to performance outcomes. CMAS II participants observed that the grantees have now developed and implemented performance plans with trackable measures and overall standard operating procedures for implementing the Performance Based Funding system for payment of employee salaries.

Secondly, several of the grantee organizations were late or delinquent on the submission of their annual audits during CMAS I. This visit showed that all recipients now have current audits on file.

Finally, during CMAS I, one of the grantees did not have adequate financial management and tracking systems in place. The lack of these systems negatively impacted the grantee's ability to submit proper budgets, justifications, and narratives in response to funding opportunity announcements and continuation solicitations. During the CMAS II visit, the grantee demonstrated significant improvement to their financial management and

tracking systems. The organization implemented financial management software and developed internal controls and standard operating procedures that have greatly improved their ability to manage and account for CDC federal grant funds.

Major Challenges

With all the successes and achievements since the CMAS I visit, Rwanda did have some other challenges before them. Of the grantees visited, two have experienced issues with access to the Payment Management System and determining the amounts available to them. Although the process could be traced from tender to delivery, it was very difficult to follow the inventory and trace each item back to the cooperative agreement.

Additionally, the recipients stated that they have problems submitting Associate Director of Science protocols to the local office and received inconsistent feedback. For example, they submitted a protocol, were advised to make a correction, made the correction, resubmitted, and had the same basic submission returned with additional requests for more information, even though they made the requested corrections. The recipients were slow in submitting the requests for release of Associate Director of Science, which may account for some of the issues.

For Principal Investigators being paid by cooperative agreements, the level of effort should be 100%. There was an issue raised by the office that one recipient's Principal Investigator was receiving payment through a cooperative agreement, but was possibly working on more than the activities stated in the award. Finally, several of the recipients had not been completing Federal Financial Reports on a cumulative basis. This was due to a common business official that did not have proper guidance. Federal Financial Report training was provided in-country by CDC's Procurement and Grants Office participants. There should be no further issues with the completion of Federal Financial Reports.

Recommendations

- Share information learned from the CMAS II training on the Payment Management System with grantees. If there are still issues with the Payment Management System, it is suggested that webinar training be provided.
- Ensure that grantees have proper documentation that can be traced to the general ledger and inventory; however, it is difficult to verify on the inventory control. Grantees should ensure that the inventory can be specifically linked back to the general ledger and the cooperative agreement.
- Confirm that the Associate Director for Science issues are being addressed with the grantees and the CDC/Rwanda staff. Going forward, there should be a clear understanding on review of the protocols.
- Ensure that CDC's Procurement and Grants Office review grantees that have salaries provided under cooperative agreements and forward emails to remind them that their level of effort should be 100%.

Accountability for Public Health Impact

Major Achievements

CMAS II team members found that CDC/Rwanda continues to be an example of country ownership.

CDC/Rwanda staff members participated in several national Technical Working Groups, and as a result, were an integral part of developing the country's national strategies and priorities. All partners reported that communication with CDC/Rwanda is good and that roles and responsibilities are clear. The CMAS II assessment indicated that several CDC/Rwanda staff members are embedded in Rwanda's MOH offices, and a majority of funding supported local institutions, primarily the MOH. CDC/Rwanda demonstrated commitment to capacity building activities and systems improvement.

CDC/Rwanda had fully implemented a policy of including measurable outcomes in cooperative agreements. At the time of the CMAS II visit, several of the larger agreements with Rwanda's MOH were ending soon. The Funding Opportunity Announcements associated with these cooperative agreements had been written and fully complied with the CMAS II standard. Additionally, in previous years, CDC/Rwanda monitored results and outcomes for all grantees through required reporting. They then negotiated updated reporting requirements as the activities evolved.

There was a dedicated Associate Director for Science position that received sufficient administrative support to fulfill Science Office functions. At the time of the CMAS II visit, this position was empty, but a detail from CDC headquarters will provide four months of support via the International Experience and Technical Assistance program. Standard operating procedures existed to track protocols, and related training material had been developed. However, these standard operating procedures had yet to be reviewed and cleared by the Country Director.

Major Challenges

CMAS II team members found that CDC/Rwanda invests in programs of public health impact in line with the World AIDS Day targets and PEPFAR goals, but a significant proportion of the budget was allocated to the Human Resources for Health program, which is not well aligned with PEPFAR program goals to achieve the desired impact on the HIV epidemic.

CDC/Rwanda demonstrated struggles with vacancies in key leadership positions, specifically the Country Director and the Associate Director for Science. CDC/Rwanda significantly contributed to lab system strengthening in Rwanda, although weaknesses continued to be identified within the lab system.

CDC/Rwanda experienced challenges from rapidly changing technology, procedures, and content of reported data (specifically PEPFAR-reported data). There was not an internal CDC/Rwanda document that established procedures to assess data quality. This challenge was related to continuing vacancies in leadership positions at CDC/Rwanda and the PEPFAR Coordinator's Office, as CDC/Rwanda employees were regularly called upon to fill in for the Strategic Information Liaison. The MOH administered all care and treatment activities, and it had a standard operating procedure for the management of routine health information. However, it was not clear that this document is adequate to monitor data quality to meet the accountability standards.

CDC grantees were not always clear on specific situations when a scientific protocol or publication required clearance from CDC headquarters. The lack of clarity caused some friction between CDC/Rwanda and its

national grantees. In addition, CDC/Rwanda indicated a need for further clarification on CDC headquarters' plans to provide open access to a website where evaluation reports will be maintained.

Recommendations

- Confirm that Human Resources for Health medical experts provide specific direct support or clinical mentoring to improve on pediatric HIV treatment, retention in care and treatment, and monitoring and evaluation.
- Ensure that the detail to the Associate Director for Science office fulfills some of the more urgent needs of CDC/Rwanda by conducting the following activities:
    - Reviewing and revising the draft standard operating procedure, working closely with CDC/Rwanda staff who are familiar with procedures.
    - Assisting the MOH in revising their old standard operating procedure for protocol writing and harmonize it with the MOH standard operating procedure for protocol and publication clearance.
    - Following-up with CDC headquarters to obtain a clear and comprehensive decision matrix for what publications need to be reviewed by CDC headquarters and at what level.
- Confirm that CDC/DGHA clarifies the requirements for the evaluation strategy and plans for the website that currently houses evaluation reports.

Next Steps

The CMAS II team shared their key findings and recommendations with the CDC/Rwanda office and CDC headquarters. The team also developed a scorecard for internal management use. The scorecard lists all of the issues identified during the visit, recommendations and due dates for their implementation, and primary point of contact for each issue. CDC headquarters will work with the CDC country office to create a plan and timeline to address and correct issues.